

ILLINOIS POWER COMPANY
Summary of Rate Base Components
As of December 31, 2000
(Thousands of Dollars)

Line No.	Description (A)	Unadjusted Total Company (B)	Adjustments (C)	Adjusted Total Company (D)
1	Distribution Plant	\$ 1,392,655	\$ -	\$ 1,392,655
2	General Plant	283,235		283,235
3	Intangible Plant	101,773	16	101,789
4	Total Plant In Service	<u>1,777,663</u>	<u>16</u>	<u>1,777,679</u>
5	Reserve for Accumulated Depreciation - Distribution	(573,562)	-	(573,562)
6	Reserve for Accumulated Depreciation - General	(70,698)		(70,698)
7	Reserve for amortization of Intangible Plant	(80,264)		(80,264)
8	Total Reserve For Depreciation and Amortization	<u>(724,524)</u>	=	<u>(724,524)</u>
9	Net Plant	<u>1,053,140</u>	<u>16</u>	<u>1,053,156</u>
10	Materials and Supplies	6,873	-	6,873
11	Customer Advances for Construction	(6,810)		(6,810)
12	Accumulated Deferred Income Taxes	(173,375)	-	(173,375)
13	Unamortized Pre-1971 Investment Tax Credits	(564)	-	(564)
14	Land and Land Rights Held for Future Use	-	-	-
15	Construction Work in Progress	5,592	-	5,592
16	Customer Deposits	(2,044)	-	(2,044)
17	Reserve for Depreciation Attributable to Contributions in Aid of Construction	2,870	-	2,870
18	Total	\$ 885,682	\$ 16	\$ 885,698

ILLINOIS POWER COMPANY
Jurisdictional Allocation of Rate Base Components
As of December 31, 2000
(Thousands of Dollars)

Line No.	Description (A)	Adjusted Total Company (B)	Production (C)	Gas (D)	Electric Transmission (E)	Other (F)	Jurisdictional Electric Distribution (G)
1	Distribution Plant	\$ 1,392,655	\$ -	\$ -	\$ -	\$ -	\$ 1,392,655
2	General Plant	283,235	-	62,792	26,541	-	193,902
3	Intangible Plant	101,789	-	29,621	8,689	-	63,479
4	Total Plant In Service	<u>1,777,679</u>	=	<u>92,413</u>	<u>35,230</u>		<u>1,650,037</u>
5	Reserve for Accumulated Depreciation - Distribution	(573,562)	-	-	-	-	(573,562)
6	Reserve for Accumulated Depreciation - General	(70,698)	-	(16,402)	(6,537)	-	(47,759)
7	Reserve for Amortization of Intangible Plant	(80,264)	-	(23,766)	(6,802)	-	(49,696)
8	Total Reserve For Depreciation and Amortization	<u>(724,524)</u>	=	<u>(40,168)</u>	<u>(13,339)</u>		<u>(671,016)</u>
9	Net Plant	<u>1,053,156</u>	=	<u>52,245</u>	<u>21,891</u>		<u>979,020</u>
10	Materials and Supplies	6,873	-	-	-	-	6,873
11	Customer Advances for Construction	(6,810)	-	(5,778)	-	-	(1,032)
12	Accumulated Deferred Income Taxes	(173,375)	-	-	-	-	(173,375)
13	Unamortized Pre-1971 Investment Tax Credits	(564)	-	-	-	-	(564)
14	Land and Land Rights Held for Future Use						
15	Construction Work in Progress	5,592	-	-	-	-	5,592
16	Customer Deposits	(2,044)	-	-	-	-	(2,044)
17	Reserve for Depreciation Attributable to Contributions in Aid of Construction	<u>2,870</u>	=	=	=		<u>2,870</u>
18	Total	\$ <u>885,698</u>	\$ =	\$ <u>46,467</u>	\$ <u>21,891</u>	\$ -	\$ 817,341

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions Through December 31, 2000 And
For the Period January 1, 2001 through June 30, 2002
(Thousands of Dollars)

<u>Line No.</u>	<u>Program</u> (A)	<u>Program Area</u> (B)	<u>Total Company</u> <u>Adjustment</u> (C)	<u>Jurisdictional</u> <u>Allocator</u> (D)	<u>Jurisdictional</u> <u>Pro Forma</u> (E)
1	720	Central Computing and Admin	\$ 3,576	57.9%	\$ 2,071
2	941	Records Management	64	57.9%	37
3	1035	Printing Services	322	57.9%	186
4	1048	Administrative Services	468	57.9%	271
5	1049	Building Maintenance	1,003	57.9%	581
6	1167	Purchasing and Materials Control	314	57.9%	182
7	2246	Distributed Computing	3,408	57.9%	1,973
8	2289	WAN(Wide Area Network)	545	57.9%	316
9	2290	LAN (Local Area Network)	13,287	57.9%	7,693
10	2291	PBYJCentrex	1,380	57.9%	799
11	2292	Voice	29	57.9%	17
12	2293	Other	312	57.9%	180
13	2301	Application Development- Infrastructure	163	57.9%	94
14	2304	AD - Infrastructure to Capital	2,365	57.9%	1,369
15	2359	AD - Enhancements	126	57.9%	73
16	2360	AD - Capital	4,123	57.9%	2,387
17		Retirements	(12,675)	57.9%	(7,339)
18		Total	\$ 18,813		\$ 10,892

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

Item No.	<u>Description</u> (A)	Total Company Amount 000 (B)
1.	<u>Central Computing and Administration</u>	\$3,576
<p>The functions of Central Computing and Administration are to secure and manage resources and facilities necessary to supply business computing support from central data center. This includes cooperative development and implementation of appropriate schedules and turnaround times for batch processing, as well as capability to deliver terminal equipment and response times at agreed upon service levels. These additions include the following projects:</p> <ul style="list-style-type: none"> • Upgrade the central processing unit (CPU) to R46 (involves replacing the IBM 9021-982 mainframe computer with the IBM 9672-R36/R46) • Compuware software replacement (IP and contractor costs) • Labor for implementation of Websphere and the Parallel SysPlex • Tape Back RS/6000 (server backup environment) • Hierarchical Storage Management (hierarchical storage management environment for the IP NT server environment) • Server Tools/Test Lab • Central Server Infrastructure (infrastructure upgrades to the Data Center at the Plaza for ongoing operations, to provide network and console switch connectivity expansion, and space to stage production server equipment not currently located in the Data Center) • System Management Server (SMS) (replace aging hardware, upgrade software, add distribution points and server to monitor software licenses, and install SMS 2.0 on workstations) • Fax server upgrades (implement an improved fax server solution) • Secure Server Network (upgrade the Secure Server Network to enhance reliability) • Catalyst Test Environment (establish test system for catalyst software used at MDF and Plaza) • Server Setup for Networking; and • WIN/Office 2000 Upgrades. 		

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

- | | | |
|----|--|-------|
| 2. | <p><u>Records Management</u></p> <p>The functions of Records Management are the storage, maintenance, retrieval, and disposition of corporate records. These additions includes replacement of two reader printers to replace printers that are obsolete due to age and lack of vendor support.</p> | 64 |
| 3. | <p><u>Printing Services</u></p> <p>Printing Services operates the Company's in-house printing facility to facilitate the efficient control of forms, graphics design, printing services, and copy center activities. These additions include purchase of a Xerox 6135 copy system that allows digital and electronic transmission of job requests and color signage, and poster printer for Illinois Power communications.</p> | 322 |
| 4. | <p>Administrative Services</p> <p>Administrative Services is responsible for headquarters facilities management. This project includes purchase of pool vehicles to replace old vehicles located at the Headquarters Garage on 27th Street. Also included is remodeling of the Headquarters facility in Decatur.</p> | 468 |
| 5. | <p><u>Building Maintenance</u></p> <p>Building Maintenance provides normal maintenance of Illinois Power facilities located at 500 S. 27th St., 271 S. 27th St., 2701 Martin Luther King Dr., 2655 Martin Luther King Dr., 2460 N. Jasper St., the Plaza Building, and the Material Distribution Facility (MDF). Current project includes the replacement of ceiling wires and light fixtures at Headquarters building, upgrade chiller to CFC (type of freon), replacement/upgrades for worn equipment at Jasper Street and Headquarters, replace carpet at Plaza and Material Distribution Facility (MDF) buildings, and the resurfacing of the Training Center parking lot.</p> | 1,003 |
| 6. | <p><u>Purchasing and Materials Control</u></p> <p>These additions include sealing concrete inside the MDF warehouse, and concrete repairs for the MDF warehouse. The concrete sealing is needed to preserve repairs that are being made due to wear from equipment traffic.</p> | 314 |

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

7. **Distributed Computing** 3,408
- The function of Distributed Computing is management and purchase of distributed computing resources that are required to provide reliable desktop and mobile computing support at Illinois Power. These additions include desktop related hardware and software upgrades/replacements planned by the Information Technology Department due to technology needs, obsolete equipment, and to reduce maintenance cost on hardware. These additions also include department-specific upgrades to equipment requested by departments other than Information Technology for specific business needs, such as Reliability Compliance Maintenance (RCM) handheld computers for Energy Delivery personnel working in the field.
8. **WAN (Wide Area Network)** 545
- Equipment and services to provide and support connectivity among Illinois Power sites (includes microwave, circuits, Time Division Multiplexing, Fiber and SONET). These projects are necessary to maintain reliable and cost effective connectivity. Projects include:
- Microwave Radio/Tower Decommissioning
 - Freeburg to Baldwin Microwave
 - Wireless system control and data acquisition (SCADA) Technology
 - T-1 s/Equipment for Radio Towers
 - Hennepin to ESK Darcom Radios
 - SOLA Isolation Transformers for Timeplex Nodes
 - New connection to Southern Illinois Power Cooperative; and
 - Maroa OPGW.
9. **LAN (Local Area Network)** 13,287
- Equipment and services to provide and support network use primarily for end user data networking, including bridges, routing, hubs wiring, Lotus notes, internet, software distribution, mainframe connectivity, gateways, dial-in and database services. Projects include:
- Quality of Service Policy Network Management (purchase, test and implement network management software to configure quality and service features on network hardware; this will permit granular control over varying levels of network traffic performance and priorities)
 - Ethernet Migration (purchase and implement all hardware and

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

software required to convert Decatur locations from shared token ring to switched 10/100 ethernet)

- Ethernet Hubs
- Control Access Units (new LAN equipment for replacement and expansion of existing hardware)
- Lobe Attachment Modules (new LAN equipment for replacement and expansion of existing hardware)
- Hardware for Routers (new LAN equipment for replacement and expansion of existing hardware)
- Server Room Expansion (add LAN switch port capability to facilitate new servers)
- Command Post Platform (hardware and software to upgrade current outdated system used to manage networks and servers)
- Private Branch Exchange (telephone system) and Uninterruptible Power Supply (UPS) Monitoring via Manager of Managers (equipment and servers to monitor PBX phone system and UPS)
- Category 5 Rewiring (rewiring of Headquarters, MDF, Training Center, and Belleville and Maryville Service Centers for ethernet LAN conversion); and
- Voice Over IP (VOIP) for Private Branch Exchange (PBX) and Toll-Bypass. (purchase, test and pilot implementation of hardware and software to facilitate transport of voice communications over the data networking infrastructure)

10. PBX/Centrex

1,380

Programs and services to provide and support local phone switch functions (including PBX, Centrex, voicemail, Automatic Call Distribution (ACD), and Voice Response Unit (VRU). These projects are necessary to provide voice communications internally as well as customer communications. Projects include:

- Mainframe Internet Access
- ACD Expansion at Plaza and Jasper St.
- VRU Replacement at Plaza and Jasper St.; and
- Jasper St. ACD Upgrade.

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

11.	Voice	29
	Voice related communications services including long distance, 800, cellular, and trunks. This project involves installation of T-1 circuits, wiring and an ACD package at a backup facility to support disaster recovery.	
12.	Other	312
	Other Networking/Telecommunications projects that do not fit in other program categories. Projects include:	
	<ul style="list-style-type: none"> • Environmentally Controlled Room at Plaza • Racal Voice Recorder for North Decatur; and • Pilot Automatic Meter Reading for Commercial and Industrial Customers. 	
13.	<u>Application Development - Infrastructure</u>	163
	Application Development projects associated with infrastructure development. Projects include Structure Query Language (SQL) Host/DB2 replacement pilot and Centurea Team Developer replacement pilot	
14.	<u>AD - Infrastructure to Capital</u>	2,365
	Application Development Infrastructure cost to be apportioned to capital based on a percentage of employee hours charged to capital work orders, including project supervision, administration, project tracking, and education. These costs are ultimately charged to specific projects.	
15.	<u>AD - Enhancements</u>	126
	Application Development projects for Motive Enhancements and Energy Delivery Enhancements to the Customer Information System (CIS).	
	<ul style="list-style-type: none"> • The Motive System Enhancement project adds internet accessible screens to the Motive System to allow outside vendors the ability to retrieve maintenance history information for a vehicle. This activity supports the initiative to outsource some of the Garage functions at the Jasper Street facility. • Energy Delivery Enhancements to CIS is the semi-annual 	

ILLINOIS POWER COMPANY
Adjustment for Corporate Capital Additions

software release of enhancement to the Customer Information
System for Energy Delivery Processes.

16. **AD - Capital** **4,123**

Application Development software and programming cost to support Illinois Power business applications (Customer Information System, Area Resource Management, Emergency Management System, Financial Systems). Current major projects include:

- Maximo Project (implementation of new maintenance and purchasing management systems)
- CIS capital enhancements
- Replacing Agility Voice Response Unit (VRU) (current Agility VRU is unsupported by vendor at the end of 2000)
- Metering Strategy Implementation (Bi-monthly meter reading, Enhance Estimation Routine, AMR for C&I, possible MV90 impact/service order impact, Multi-volt meters, and Automate ARCS interface to CIS)
- FRAMME/Work Management Information Systems (WMIS) for the Area Resource Management System (ARM) Process Improvement Releases; and
- Software and programming to support regulatory requirements and initiatives (Neutral Fact Finder/Market Value Index, Uniformity requirements, and additional price unbundling).

ILLINOIS POWER COMPANY
Adjustment for Plant Transferred From CWIP to Plant In Service by [CC Account
(Thousands of Dollars)

<u>Line No.</u>	<u>Location Description</u> (A)	<u>Account</u> (B)	Total Company <u>Adjustment</u> (C)	Jurisdictional <u>Allocation</u> (D)	Jurisdictional Electric Distribution <u>Amount</u> (E)	Date Placed In <u>Service</u> (F)	<u>Comment</u> (G)
	Plant In Service						
1	New Galesburg Service Unit	390	\$6,538	57.9%	\$3,786	Dec-00	Sponsored by IP Witness Barud
2	New Galesburg Service Unit-Land (1)	389	129	57.9%	75	Dec-00	Sponsored by IP Witness Barud
3	Distribution Reliability Assessment Tool	391	13	57.9%	8	Oct-00	Sponsored by IP Witness Barud
4	Enterprise Storage Solution	391	3,450	57.9%	1,998	Oct-00	See IP Exhibit 1.7, Page 2
5	Mainframe Printer Replacements	391	80	57.9%	46	Dec-00	See IP Exhibit 1.7, Page 2
6	General Plant Subtotal				<u>5,913</u>		
7	Distribution Reliability Assessment Tool	303	377	57.9%	218	Oct-00	Sponsored by IP Witness Barud
8	Electric Compliance System	303	407	57.9%	236	Dec-99	Sponsored by IP Witness Barud
9	CIS Enhancement Module	303	3,172	57.9%	1,837	Mar-00	See IP Exhibit 1.7, Page 2
10	Agility Software Development	303	439	57.9%	<u>254</u>	Dec-99	See IP Exhibit 1.7, Page 2
11	Intangible Plant Subtotal				2,545		
12	Total				\$8,458		
13	Note (1): This land balance is a transfer to Account 389 from Property Held for Future Use -Account 105						

ILLINOIS POWER COMPANY
Adjustment for Plant Transferred From CWIP to Plant in Service

Item No.	<u>Description</u> (A)	Total Company Amount (B)
General Plant		
1.	<u>Enterprise Storage Solution</u>	\$3,450
<p data-bbox="358 699 1276 1234">As Illinois Power migrates from the current mainframe and server data storage platforms to a new common storage environment for mainframe and server data, this solution addresses IP's storage needs. Specific achievements from this project were improved data access across multiple platforms, centralized data management, enhanced data backup and recovery, and providing a solid foundation that is capable of supporting future storage growth needs. The scope of this project included movement of data from the current Just a Bunch of Disks (JBOD) configurations to centralized Direct Access Storage Device (DASD - Symmetrix brand), installation of the host buses adapters in the servers, configuring the S/390 to attach to the new Symmetrix, installation and configuration of the Storage Area Network (SAN) environment, and configuration of the new centralized Symmetrix.</p>		
2.	<u>Mainframe Printer</u> Replacements	g0
<p data-bbox="350 1350 1268 1892">The 3160 cut sheet mainframe printer located at the IP Plaza was installed in April 1996 and had been used in the printing of over 5 million forms. It was the only Data Center cut sheet printer directly connected to the mainframe. The 3930 cut sheet mainframe printer located at the Illinois Power Materials Distribution Facility (MDF) was installed in January 1994 and had been in constant service since then. Both of these printers had been withdrawn from marketing and second level support by IBM. Each had experienced increased downtime caused by excessive use, resulting in reduced availability and untimely production of outputs. To address Illinois Power's production printing needs, three new printers employing current printing technology that provides a higher level of reliability were purchased. The three new printers provide a net 33% increase in throughput and redundant cut sheet printing capability in the Data Center.</p>		

ILLINOIS POWER COMPANY
Adjustment for Plant Transferred From CWIP to Plant in Service

Intangible Plant

3. **CIS Enhancement Module** 3,172

This project was for development of new modules for the ARES Information Billing System (AIBS), Energy Management System (EMS) load profiling and forecasting, and Open Access modules for the Open Access Transmission Tariff (GATT) and scheduling electronic tagging (ETAG) for Electric Supply Services in support of the billing function. These additions included costs for project management, design, profiling, documentation, development programming efforts, and testing.

4. **Agility Software Development** 439

This project included Application Development costs associated with the Voice Response Unit (VRU) expansion. Included in the project were Agility Interactive Voice Response (IVR) for Central Dispatch and the Illinois Power Plaza and development of the codes for Automated Call Out (ACO) and "No Power" Applications. This project allows Illinois Power customers to utilize the ACO and No Power services.

ILLINOIS POWER COMPANY
Adjustment to Reserve for Accumulated Depreciation and Amortization
(Thousands of Dollars)

<u>Line No.</u>	<u>Adjustment</u> (A)	<u>IP Witness Sponsoring Adjustment</u> (B)	<u>Adjustments to Plant</u> (C)	<u>Accumulated Depreciation - Distribution Plant</u> (D)	<u>Accumulated Depreciation - General Plant</u> (E)	<u>Accumulated Amortization - Intangible Plant</u> (F)	<u>Total Adjustment</u> (G)
1	Energy Delivery Capital Additions	Barud	\$ 77,004 (1)	\$ 17,461	\$ 34	\$ (130)	17,365
2	Corporate Capital Additions	Carter	10,892	-	7,288	(382)	6,906
3	Load Research Project Additions	Jones	1,606	(19)	-	-	(19)
4	FAS 109 Gross Up	Carter	(2,216)	717	75	-	792
5	Plant Transferred from CWIP to UPIS	Barud/Carter	8,458	-	(74)	(255)	(329)
6	Facilities No Longer in Use	Barud/Carter	(7,346)	-	6,934	-	6,934
7	Total		\$ <u>88,399</u>	\$ <u>18,160</u>	\$ <u>14,257</u>	\$ <u>(767)</u>	\$ 31,650

		<u>Electric Distribution</u>	<u>Electric General Plant</u>	<u>Electric Intangible Plant</u>	<u>Total</u>
8	Note (1):				
9	Capital additions (Revised IP Exhibits 2.6, 2.9 and 2.10, respectively)	\$ 81,480.0	\$ 5,026.0	\$ 1,303.0	\$ 87,809.0
10	Retirements related to the above additions	(10,735)	(70)	-	(10,805)
11	Additions net of retirements	\$ <u>70,745</u>	\$ <u>4,956</u>	\$ 1,303	\$ 77,004
					To Col. C., Line 1

ILLINOIS POWER COMPANY
Adjustment for Cash Working Capital
(Thousands of Dollars)

Line No.	Description (A)	Unadjusted Cash Working Capital (B)	Pro Forma Adjustments (C)	Adjusted Cash Working Capital (D)	Lag/(Lead) Days (E)	Working Capital (Required) Provided (F)
1	OPERATING REVENUES (\$000)	\$ 310,767	\$ 1,260	\$ 312,027		
2	Return on Equity	(86,415)	-	(86,415)		
3	OPEB	(2,062)	4	(2,058)		
4	Deferred Income Taxes	(6,776)	(2,855)	(9,630)		
5	Investment Tax Credit	573	-	573		
6	Depreciation	<u>(42,532)</u>	<u>(3,486)</u>	<u>(46,018)</u>		
7	Total Cash Operating Revenues	173,556	(5,077)	168,479	36.0265	<u>16,629</u>
8						
9	OPERATING EXPENSES					
10						
11	Operating and Maintenance Expenses					
12	Payroll	32,944	648	33,591	(14.0266)	(1,291)
13	Injuries and Damages	9,884	741	10,626	182.5000	5,313
14	Property Insurance	(1,406)	1,878	472	182.5000	236
15	Pensions/Benefits	9,060	(5,119)	3,941	(25.9330)	(280)
16	Other O&M	77,976	(11,905)	66,071	(32.6142)	(5,904)
17	Uncollectible Accounts	<u>1,281</u>	<u>=</u>	<u>1,281</u>	(241.3740)	<u>(847)</u>
18	SubTotal	129,739	(13,757)	115,982	51.0523	<u>(2,773)</u>
19						
20	General Taxes					
21	Employer FICA	4,473	(327)	4,147	(11.8461)	(135)
22	Invested Capital Tax/Electric Distribution Tax	26,426	-	26,426	(0.3375)	(24)
23	Property Tax	1,319	23	1,341	(399.7019)	(1,469)
24	Franchise Tax	809	-	809	(62.0000)	(137)
25	Public Utility Taxes	-	-	-	-	-
26	Municipal Utility Taxes	-	-	-	-	-
27	ICC Assessment	-	-	-	-	-
28	Other Taxes Not Income	<u>561</u>	<u>=</u>	<u>561</u>	(32.6142)	<u>(50)</u>
29	SubTotal	33,589	(304)	33,285	-	<u>(1,816)</u>
30						
31	Current Income Taxes					
32	Federal	8,377	7,357	15,734	(34.1250)	(1,471)
33	State	<u>1,851</u>	<u>1,626</u>	<u>3,478</u>	(45.8250)	<u>(437)</u>
34	SubTotal	10,228	8,984	19,212		<u>(1,908)</u>
35						
36	TOTAL COST OF SERVICE	173,556	(5,077)	168,479		<u>(6,496)</u>
37						
38	Cash Working Capital - Operations					<u>10,133</u>
39	Adjustment for Revenue Taxes					-
40						
41	Total Cash Working Capital					\$ <u>10,133</u>

ILLINOIS POWER COMPANY
Adjustment to Accumulated Deferred Income Taxes
(Thousands of Dollars)

<u>Line No.</u>	<u>Description</u> (A)	<u>Federal Deferred Income Tax</u> (B)	<u>State Deferred Income Tax</u> (C)	<u>Total Jurisdictional Deferred Tax</u> (D)
1	Energy Delivery Capital Additions	\$ 1,955	\$ 432	\$ 2,388
2	Corporate Capital Additions	1,369	301	1,670
3	Load Research Meter Project	27	6	33
4	Plant Transferred from CWIP to UPIS	238	52	289
5	Facilities No Longer in Use	(208)	(46)	(254)
6	Total	\$ 3,380	\$ 745	\$ 4,125

ILLINOIS POWER COMPANY
Adjustment to Reflect Increased Depreciation and Amortization Expense
(Thousands of Dollars)

Line No.	Account Depreciation (A)	Adjustment (B)
1	Depreciation Expense -- Distribution Plant	
2	2001-2002 Energy Delivery Capital Additions	\$ 1,653
3	2001-2002 Jurisdictional Corporate Capital Additions	-
4	Load Research Meter Project	38
5	Total	<u>1,691</u>
6	Depreciation Expense -- General Plant	
7	2001-2002 Energy Delivery Capital Additions	101
8	2001-2002 Jurisdictional Corporate Capital Additions	164
9	Plant Transferred from CWIP to In Service	148
10	Facilities No Longer in Use	(152)
11	Total	<u>262</u>
12	Amortization Expense	
13	2001-2002 Energy Delivery Capital Additions	261
14	2001-2002 Jurisdictional Corporate Capital Additions	764
15	Plant Transferred from CWIP to In Service	509
16	Total	<u>1,534</u>
17	Total Pre-Tax Adjustment	3,486
18	Federal Income Taxes -- 32.487%	(1,132)
19	State Income Taxes -- 7.18%	(250)
20	Net Adjustment	\$ 2,104

ILLINOIS POWER COMPANY
 Impact of Rate Base Adjustments on Deferred Income Tax Expense
 (Thousands of Dollars)

<u>Line No.</u>	<u>Description</u> (A)	<u>Federal</u> <u>Income Tax</u> (B)	<u>State</u> <u>Income Tax</u> (C)	<u>Total</u> <u>Adjustment</u> (D)
1	Deferred Taxes on Energy Delivery Distribution and General Plant Capital Additions	\$ 1,493	\$ 329	\$ 1,823
2	Deferred Taxes on Corporate Capital Additions	210	45	255
3	Deferred Taxes on Load Research Meters	26	6	32
4	Deferred Taxes on Intangible Plant Software being transferred from CWIP to Plant in Service	153	33	187
5	Deferred Income Tax Decrease due to Facilities No Longer in Use	(208)	(46)	(254)
6	Total	\$ 1,674	\$ 368	\$ 2,042

ILLINOIS POWER COMPANY
Payroll Adjustment
(Thousands of Dollars)

Line No.	<u>Location/Business Group</u> (A)	Jurisdictional Adjusted <u>Wages</u> (B)	Increase in Wages effective <u>7/01/01</u> (C)	Pro Forma <u>Wage Increase</u> (D)
1	Distribution	\$ 27,366	3.00%	\$ 821
2	Customer Accounts	6,657	3.00%	200
3	Customer Service and Informational	4,855	3.00%	146
4	Sales	-	3.00%	-
5	Administrative and general	<u>14,032</u>	3.00%	<u>421</u>
6	Pre-Tax Total	<u>52,910</u>		1,587
7	Federal Income Taxes -- 32.487%			(516)
8	State Income Taxes -- 7.18%			<u>(114)</u>
9	Net Adjustment			\$ 958

ILLINOIS POWER COMPANY
Adjustment to Reflect Amortization of Severance Costs and Elimination of Wages Associated with Transitional Employees
(Thousands of Dollars)

Line No.	Account Description (A)	Payroll (B)	Pensions & Benefits (C)	Payroll Taxes (D)	Total Adjustment (E)
	<u>Transition</u> Employees				
1	Number of Employees Affected	297	297		
2	Payroll Expense Adjustment Amount	<u>\$ (1,652)</u>	<u>\$ (251)</u>	<u>(137)</u>	<u>\$ (2,041)</u>
	Severance Costs				
3	Reverse 2000 Severance Costs	(8,412)	(6,369)	(302)	(15,083)
4	5-year Amortization of Severance Costs	1,682	1,274	60	3,017
5	Total Adjustment (L2+L3+L4)				<u>\$ (14,107)</u>
6	Federal Income Taxes -- 32.487%				4,583
7	State Income Taxes -- 7.18%				1,013
8	Net Adjustment				<u>\$ (8,511)</u>

ILLINOIS COMMERCE COMMISSION

DOCKET NO. 01-0432

SUPPLEMENTAL DIRECT TESTIMONY OF

PEGGY E. CARTER

AUGUST 15, 2001

I. Introduction and Purpose

1. Q. Please state your name, business address and present position.

A. Peggy E. Carter, 500 South 27th Street, Decatur, Illinois 62521. I am Vice President and Controller of Illinois Power Company ("Illinois Power," "IP" or "Company").

2. Q. Have you previously submitted testimony and exhibits in this proceeding?

A. Yes, I previously submitted exhibits identified as IP Exhibits 1.1 through 1.30. IP Exhibit 1.1 is my prepared direct testimony.

3. Q. What additional evidence are you presenting at this time?

A. I am submitting exhibits identified as IP Exhibits 1.31 through 1.33 as well as Revised IP Exhibits 1.2, 1.3, 1.5, 1.7, 1.9, 1.10, 1.11, 1.22, 1.23, 1.26 and 1.28. IP Exhibit 1.31 is my supplemental direct testimony.

4. Q. What is the purpose of the exhibits you are submitting at this time?

A. The purpose of these exhibits is twofold. The first purpose is to incorporate revisions to certain components of Illinois Power's proposed jurisdictional electric distribution rate base and operating expenses that have been identified since the original filing in this case. The need for some of these revisions has been identified by Commission Staff in their

review of the Company's filing. The second purpose is to provide information on certain general and intangible plant projects that were placed into service during the period 1998 - 2000. Information on these projects was not included in the Company's original filing, but has been requested by Staff.

II. Revised Exhibits

5. Q. Please describe Revised IP Exhibit 1.2 and Revised IP Exhibit 1.3.

A. Revised IP Exhibit 1.2 shows the balances for various components of the Company's rate base at December 31, 2000. Revised IP Exhibit 1.3 shows the jurisdictional allocation of the Adjusted Total Company amounts in column (D) of Revised IP Exhibit 1.2 to the electric distribution rate base. In each of these exhibits, the amounts on Line 15, Construction Work in Progress ("CWIP"), and correspondingly the Total amounts on Line 18, have been revised from the amounts shown on IP Exhibits 1.2 and 1.3.

6. Q. What does the amount of \$5,592,000, shown on Line 15 of Revised IP Exhibits 1.2 and 1.3, represent?

A. This amount is the balance of CWIP as of December 31, 2000, recorded on blanket work orders that is associated with electric distribution projects of less than \$50,000 with durations of less than one month. No Allowance for Funds During Construction is charged to these projects. These construction projects will be completed prior to the effective date of the proposed delivery services tariffs.

47 7. Q. Has the amount of CWIP shown on Line 15 of Revised IP Exhibits 1.2
48 and 1.3 changed because the upper dollar limit for these projects has
49 changed from \$7,500, as indicated in your answer to Question 23 of IP
50 Exhibit 1.1, to \$50,000?

51 A. No, the reference to projects less than \$7,500 in my answer to Question 23
52 in IP Exhibit 1.1 was incorrect and should have been \$50,000. The
53 amount of CWIP has changed from \$6,014,000, as shown on IP Exhibits
54 1.2 and 1.3, to \$5,592,000, because \$6,014,000 was the balance of CWIP
55 for such projects at a date other than December 31, 2000. The balance of
56 CWIP for these projects at December 31, 2000, was in fact \$5,592,000.

57 8. Q. Please describe Revised IP Exhibit 1.5.

58 A. Revised IP Exhibit 1.5 incorporates several revisions to the information
59 presented on IP Exhibit 1.5 as originally filed. First, the "Total Company
60 Adjustment" amounts shown on page 1, Column (C) of IP Exhibit 1.5 for
61 a number of the programs did not include CWIP balances at December 31,
62 2000. These CWIP balances have now been included. Second, in
63 developing the "Total Company Adjustment" amounts shown on IP
64 Exhibit 1.5, forecasted loading factors were applied to actual direct
65 construction expenditures recorded from January 1, 2001 through March
66 31, 2001. These amounts have now been revised by applying actual
67 loading factors rather than forecasted loading factors. The impact of the
68 two revisions I have just described is to change the "Total Company
69 Adjustment" amount for most of these programs from the amounts

originally presented on page 1, Column (C) of IP Exhibit 1.5. The same jurisdictional allocation factor used on IP Exhibit 1.5, 57.9%, has been used to arrive at the "Jurisdictional Pro Forma" amount for each program in Column (E) of Revised IP Exhibit 1.5. Finally, IP Exhibit 1.5 did not incorporate retirements of plant and equipment that would be replaced by the capital additions represented on IP Exhibit 1.5. On page 1, Line 17 of Revised IP Exhibit 1.5, I have included these retirements, which total \$12,675,000 on a total Company basis. The overall impact of the revisions I have described is to reduce the amount of the proposed electric distribution rate base adjustment for Corporate Capital Additions from \$11,304,000 as shown on IP Exhibit 1.5, Column (E), Line 17, to \$10,892,000 as shown on Revised IP Exhibit 1.5, Column (E), Line 18.

9. Q. Please describe Revised IP Exhibit 1.7.

A. Revised IP Exhibit 1.7 reflects several revisions to the information originally presented on IP Exhibit 1.7. First, the amounts for the new Galesburg Service Unit as shown on Lines 1 and 2 of IP Exhibit 1.7 were incorrect; the correct values are now shown on Lines 1 and 2 of Revised IP Exhibit 1.7. The description of Line 2 has been modified to indicate that this line presents the cost of land on which the new Galesburg Service Center is located. Second, the allocation of the total cost of the Distribution Reliability Assessment Tool between General Plant and Intangible Plant as shown on IP Exhibit 1.7 was incorrect. The correct allocation is reflected on Revised IP Exhibit 1.7. The total cost for this

93 project, \$390,000, has not changed. Third, Revised IP Exhibit 1.7 adds an
94 additional Intangible Plant project, the Electric Compliance System, to the
95 list of projects that were actually in service as of December 31, 2000, but
96 had not yet been transferred from CWIP to Utility Plant in Service on the
97 Company's books. The Electric Compliance System project is described
98 by IP witness Barud on IP Exhibit 2.5. The overall impact of the revisions
99 I have described is to increase the proposed adjustment for plant
100 transferred from CWIP to Plant in Service (Jurisdictional Electric
101 Distribution Amount) from \$8,130,000 as shown on IP Exhibit 1.7 to
102 \$8,458,000 as shown on Revised IP Exhibit 1.7.

103 10. Q. Please describe Revised IP Exhibit 1.9.

104 A. Revised IP Exhibit 1.9 reflects revisions to the Accumulated Provision for
105 Depreciation and Amortization based on the changes to the amounts for (i)
106 the Energy Delivery Capital Additions sponsored by IP witness Barud on
107 Revised IP Exhibits 2.6, 2.9 and 2.10, (ii) the Corporate Capital Additions
108 which I sponsor on Revised IP Exhibit 1.5, and (iii) the Plant Transferred
109 from CWIP to Utility Plant in Service which I sponsor on Revised IP
110 Exhibit 1.7. These revisions incorporate the impact on the reserve for
111 depreciation and amortization of retirements, which was not reflected on
112 original IP Exhibit 1.9. The overall impact of these revisions is to change
113 the amount of the Adjustment to Accumulated Reserve for Depreciation
114 and Amortization relating to these additions from \$5,792,000 as shown on
115 IP Exhibit 1.9, to \$31,650,000 as shown on Revised IP Exhibit 1.9.

- 116 11. Q. Please describe Revised IP Exhibit 1.10.
- 117 A. Revised IP Exhibit 1.10 incorporates several revisions to the calculation of
- 118 the proposed adjustment for Cash Working Capital. First, the calculations
- 119 of the working capital requirements relating to Invested Capital
- 120 Tax/Electric Distribution Tax on Line 22 and Franchise Tax on Line 24 of
- 121 IP Exhibit 1.10 were incorrect; the results of corrected calculations are
- 122 now shown on Lines 22 and 24 of Revised IP Exhibit 1.10. Second, the
- 123 development of the cash working capital adjustment on Revised IP Exhibit
- 124 1.10 reflects the impacts of other changes to rate base, operating expense
- 125 and cost of capital components presented by IP witnesses Barud, Mortland
- 126 and me. The overall impact of the revisions I have described is a
- 127 reduction in the adjustment for cash working capital from \$10,568,000 as
- 128 originally presented on IP Exhibit 1.10, to \$10,133,000 as shown on
- 129 Revised IP Exhibit 1.10.
- 130 12. Q. Please describe Revised IP Exhibit 1.11.
- 131 A. Revised IP Exhibit 1.11 incorporates revisions to the adjustments to
- 132 Accumulated Federal and State Deferred Income Taxes due to the changes
- 133 to the Energy Delivery Capital Additions presented by IP witness Barud
- 134 (Revised IP Exhibits 2.6, 2.9 and 2.10) and to the changes to the Corporate
- 135 Capital Additions (Revised IP Exhibit 1.5) and Plant Transferred from
- 136 CWIP to Utility Plant in Service (Revised IP Exhibit 1.7) which I present.
- 137 The overall impact of these revisions is a reduction in the adjustment to
- 138 jurisdictional accumulated deferred income taxes from \$4,391,000 as

originally presented on IP Exhibit 1.11, to \$4,125,000 as shown on Revised IP Exhibit 1.11.

13. Q. Please describe Revised IP Exhibit 1.22.

A. Revised IP Exhibit 1.22 reflects several revisions to the adjustment to reflect increased depreciation and amortization expense relating to rate base capital additions presented by IP witness Barad and me. The changes to the amount of this adjustment result from (i) recognition of reduced depreciation and amortization expense due to retirements of plant and equipment that have been or will be replaced by the Energy Delivery Capital Additions and the Corporate Capital Additions, and (ii) the inclusion on Revised IP Exhibit 1.7 of one additional project being transferred from CWIP to Utility Plant in Service, as I previously described. The overall impact of these revisions is to reduce the amount of the adjustment for increased depreciation and amortization expense from \$2,242,000 as originally presented on IP Exhibit 1.22, to \$2,104,000 as shown on Revised IP Exhibit 1.22.

14. Q. Please describe Revised IP Exhibit 1.23.

A. Revised IP Exhibit 1.23 reflects revisions to the adjustment to deferred income tax expense for rate base additions, based on the revisions to the amounts of the Energy Delivery Capital Additions presented by IP witness Barad and the revisions to the amounts of the Corporate Capital Additions and the Intangible Plant being transferred from CWIP to Utility Plant in Service that I present. The overall impact of these revisions is to reduce

162 the amount of the adjustment to deferred income tax expense from
163 \$3,177,000 as originally presented on IP Exhibit 1.23 to \$2,042,000 as
164 shown on Revised IP Exhibit 1.23.

165 15. Q. Please describe Revised IP Exhibit 1.26.

166 A. Revised IP Exhibit 1.26 presents a revised Payroll Adjustment for wage
167 increases effective July 1, 2001, to reflect revisions to the adjustment to
168 eliminate test year wages associated with transitional employees, which I
169 will describe later in this testimony in connection with Revised IP Exhibit
170 1.28. The Jurisdictional Adjusted Wage amounts in Column (B) have
171 been revised to reflect the revised amount of wages associated with
172 transition employees that is incorporated in Revised IP Exhibit 1.28. The
173 impact is to increase the jurisdictional payroll adjustment from \$951,000
174 as presented on IP Exhibit 1.26 to \$958,000 as presented on Revised IP
175 Exhibit 1.26.

176 16. Q. Please describe Revised IP Exhibit 1.28.

177 A. Revised IP Exhibit 1.28 reflects a number of revisions to the calculation of
178 the Adjustment to Reflect Amortization of Severance Costs and
179 Elimination of Wages Associated with Transitional Employees, as
180 originally presented on IP Exhibit 1.28. First, the adjustment to test year
181 payroll expense for transition employees as presented on IP Exhibit 1.28
182 was incorrectly based on only 238 employees. In fact, as of January 1,
183 2001, a total of 297 employees were no longer employed by IP or were
184 scheduled to depart IP as a result of the Dynegy merger and other

structural changes. The revised adjustment presented on Revised IP Exhibit 1.28 is based on these employees. Second, the adjustment to test year payroll expense presented on IP Exhibit 1.28 was based on an average wage figure as applied to the 238 employees. The revised adjustment as presented on Revised IP Exhibit 1.28 is based on the actual salaries of the 297 transition employees and the period of time each of them was employed by IP during calendar year 2000. (A small number of the 297 employees departed IP prior to January 1, 2000, and therefore 2000 actual expenses do not reflect any salary payments for these employees.) The revised adjustment also includes the related payroll taxes, which were omitted in the development of the original adjustment. Third, the payroll expense adjustment amount of \$2,398,000 presented on IP Exhibit 1.28 was a total Company amount, not the amount allocable to the electric distribution business. The payroll adjustment amount shown on Revised IP Exhibit 1.28 is the jurisdictional electric distribution amount. The overall impact of these three revisions is to decrease the payroll expense adjustment amount from \$2,398,000 as presented on IP Exhibit 1.28 to \$2,041,000 as presented on Revised IP Exhibit 1.28 and to decrease the net reduction in Operation and Maintenance Expense due to this adjustment (including the amortization of severance costs and the income tax impacts) from \$8,727,000 as presented on IP Exhibit 1.28 to \$8,511,000 as presented on Revised IP Exhibit 1.28.

17. Q. If the payroll expense adjustment amount changed due to the increase from 238 transitional employees to 297 transitional employees, why didn't the amount of 2000 severance costs change as well?

A. The 2000 Severance Costs of \$15,083,000 shown on Line 3 of IP Exhibit 1.28 is the jurisdictional electric distribution portion of the total 2000 Severance Costs, and therefore did not need to be revised.

III. General and Intangible Plant Projects, 1998-2000

18. Q. What is shown on IP Exhibit 1.32?

A. IP Exhibit 1.32 lists and describes general plant projects with individual plant additions amounts in excess of \$250,000 that were placed in service during the period 1998 through 2000. These general plant projects are in addition to the general plant projects described by IP witness Barud on Revised IP Exhibit 2.4. Of the total cost of the projects shown on IP Exhibit 1.32, \$6,655,358 has been allocated to electric distribution, as shown on the exhibit.

19. Q. What is shown on IP Exhibit 1.33?

A. IP Exhibit 1.33 lists and describes intangible plant projects with individual plant additions amounts in excess of \$250,000 that were placed in service during the period 1998 through 2000. These intangible plant projects are in addition to the intangible plant projects described by IP witness Barud on Revised IP Exhibit 2.5. Of the total cost of the projects shown on IP Exhibit 1.33, \$4,905,875 has been allocated to electric distribution, as shown on the exhibit.

230 20. Q. Do the projects shown on IP Exhibits 1.32 and 1.33 increase IP's electric
231 distribution rate base over the amount presented in the Company's original
232 filing?

233 A. No, these projects were all recorded in Plant in Service accounts at
234 December 31, 2000, and thus were included in the actual balances at
235 December 31, 2000 as presented on IP Exhibits 1.2 and 1.3 as originally
236 filed.

237 22. Q. Does this conclude your supplemental direct testimony?

238 A. Yes, it does.

ILLINOIS POWER COMPANY
General Plant Projects with Individual Plant Addition Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Amount Placed in Service (by Year)									
<u>Line No.</u>	<u>Project</u> (A)	<u>Description</u> (B)	<u>1998</u> (C)	<u>1999</u> (D)	<u>2000</u> (E)	<u>Year In-Service</u> (F)	<u>Total Company Adjustment</u> (G)	<u>Jurisdictional Allocator</u> (H)	<u>Jurisdictional Amount</u> (I)
1	12597	Energy Management System and Other Productivity Tools	\$ -	\$ 2,216,532	\$ 127,057	1999	\$ 2,343,589	57.9%	\$ 1,356,938
2	13390	Building Improvements	364,930	718,814	608,732	1999	1,692,476	57.9%	979,943
3	13394	Building Improvements	48,437	882,435	358,168	1999	1,289,039	57.9%	746,354
4	13453	PC Equipment	339,667	-	-	1998	339,667	57.9%	196,667
5	13591	Communications Facilities and Equipment	11,589	-	244,605	2000	256,194	57.9%	148,336
6	14309	Communications Facilities and Equipment	813,802	(11,277)	11,277	1998	813,802	57.9%	471,191
7	23855	Communications Facilities and Equipment	258,427	(12,535)	11,608	1998	257,501	57.9%	149,093
8	24148	PC Equipment	577,481	-	75	1998	577,556	57.9%	334,405
9	24323	Communications Facilities and Equipment	385,277	-	-	1998	385,277	57.9%	223,076
10	24324	PC Equipment	-	-	1,273,085	2000	1,273,085	57.9%	737,116
11	24376	Communications Facilities and Equipment	320,634	-	-	1998	320,634	57.9%	185,647
12	24643	Communications Facilities and Equipment	1,597,921	-	-	1998	1,597,921	57.9%	925,196
13	25048	Communications Facilities and Equipment	347,832	(9,721)	9,721	1998	347,832	57.9%	201,395
14		Total	\$ <u>5,065,997</u>	\$ <u>3,784,248</u>	\$2,644,328		\$ 11,494,573		\$ 6,655,358

ILLINOIS POWER COMPANY
General Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount (000)
1.	EMS (Energy Management System) and Other Productivity Tools (Project 12597) The project involved the change out of the computer systems at North Decatur, which makes up the Energy Management System (EMS). The reasons for the change out were: <ul style="list-style-type: none"> • Technical and physical obsolescence • Changing NERC compliance and reporting requirements • Emerging requirements to accommodate deregulation 	\$2,344
2.	Building Improvements (Project 13390) This project included the following activities. <ul style="list-style-type: none"> • Purchase of new furniture in 1998 and 1999 mainly for the Environmental Resources Department lower level remodeling. • Decatur Library purchase and title transfer. • Purchase of new furniture and interim renovation of the Decatur Library building. • Installation of 8000 yards of carpet tiles at various building locations. • Purchase of Headquarters fleet vehicles, 15 new 4 door sedans to replace units retired in 1998. • The Corporate Records Remodeling included cleaning of carpets, moving costs, electrical work, painting, new furniture and labor costs when Corporate Records Management moved from first floor at 134 E. Main and installation of new carpet on the second floor for the Marketing group. 	\$1,692
3.	Building Improvements (Project 13394) Project costs are mainly attributable to building maintenance. <ul style="list-style-type: none"> • Replacement of 1040 linear feet of roof edging at the SCADA Building. • Replacement of freight elevator at the Headquarters building. • Installation of diesel generator at the IP Plaza building • HVAC control upgrade consisted of the replacement of existing controls with modern Distribution Design Center 	\$1,289

ILLINOIS POWER COMPANY
General Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount (000)
	<p>controls with monitoring and energy management capabilities to reduce maintenance and to provide more energy efficient and reliable operation. This system also provided new controls to all Decatur buildings.</p> <ul style="list-style-type: none"> • Lighting replacements of the 2nd, 3rd and 4th floor panel boxes at the E. Main St. facility • Remodeling of the dispatch building located at 2701 N Martin Luther King Dr. (furniture, parking lot paving, engineering fees, carpeting, painting, and contract work) 	
4.	<p>PC Equipment (Project 13453) Purchase of computer equipment for all activities associated with customer call answering including requests for service, high bill complaints, payment arrangements, and other customer inquiries.</p>	\$340
5.	<p>Communications Facilities and Equipment (Project 13591) Purchase of Dynatel locator for electric training department; Dynatel pipe and cable locator is used to locate underground electric facilities and to find faults in the lines. The existing equipment was outdated.</p>	\$256
6.	<p>Communication Facilities and Equipment (Project 14309) This project provided for the installation of eight Timeplex nodes and implementation of the nodes. The project completed the migration of communication circuits from Illinois Power's analog microwave system to the Timeplex digital wide area network. Removal of circuits allowed the deactivation of microwave radios to allow for increased capacity requirements by going to digital from analog, and eliminated the related maintenance expenses.</p>	\$814
7.	<p>Communication Facilities and Equipment (Project 23855) Project to upgrade network routing equipment to support required additional bandwidth. This project was for the purchase, testing and implementation of the components needed to build a backbone Asynchronous Transfer Mode solution to relieve</p>	\$258

ILLINOIS POWER COMPANY
General Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount (000)
	overloaded backbone Local Area Network (LAN) segments in order to prevent the network from failing. This upgrade increased the LAN backbone capacity from 16 megabits per second capacity to 622 megabits per second.	
8.	PC Equipment (Project 24148) Purchase of PC equipment for the Customer Services Business Group in 1998. This included desktop PCs, laptop PCs, servers and associated equipment.	\$578
9.	Communications Facilities and Equipment (Project 24323) This project conducted investigation to assess problem areas at North Decatur location used by Energy Supply and planned improvements to the facility to increase reliability of all communications into this critical location. Areas in need of repair included power distribution and back-up, HVAC, dust control, lighting, and documentation. This building is critical to the daily operations of the control area.	\$385
10.	PC Equipment (Project 24324) Purchase of new personal computers and upgrades to existing PCs, servers and printers for the Information Technology Department. The new equipment replaced outdated, obsolete, and high maintenance equipment.	\$1,273
11.	Communications Facilities and Equipment (Project 24376) The scope of this project was to install a Computer Telephony Integration ("CTI") server to enhance the operation of the Automated Callout Device and Voice Response Unit. This work covered installation and consulting in order to fully utilize the benefits of CTI. CTI allows the customer's account information to automatically populate the employee's computer screen for increased customer service and efficiency in answering customer phone calls.	\$321
12.	Communications Facilities and Equipment (Project 24643)	\$1,598

ILLINOIS POWER COMPANY
General Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	<u>Description</u>	Total Company Amount (000)
	<p>This project was for the installation of fiber optic path between south Bloomington substation and Clinton power station, the installation and testing of a sonet node at Bloomington, and fiber optic network re-configuration for the Bloomington node. This project was necessary to provide redundant, reliable communications to Clinton power station and all Decatur locations. This allowed Illinois Power to bring cost effective, redundant telephone lines to Decatur to support the customer services call/answer center.</p>	
13.	<p>Communications Facilities and Equipment (Project 25048) The purchase of token ring switches to replace failing local token ring bridges, provide high speed switched connections for servers, Asynchronous Transfer Mode to token ring bridging, and better filtering for low speed wide area network circuits to enhance availability of the of the failing equipment. This equipment is part of the Local Area Network (LAN).</p>	\$348

ILLINOIS POWER COMPANY

Intangible Plant Projects with Individual Plant Addition Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Line No.	<u>Project</u> (A)	Description (B)	Year In- <u>Service</u> (C)	Total Company <u>Adjustment</u> (D)	Jurisdictional <u>Allocator</u> (E)	Jurisdictional <u>Amount</u> (F)
1	14333	Tools and Equipment	1999	\$ 550,433	57.9%	\$ 318,701
2	21533	HRIS System Development	1999	2,458,020	57.9%	1,423,193
3	22340	Implementation of Area Resource Management	1998	373,266	57.9%	216,121
4	22717	Network Management Equipment	1998	749,170	57.9%	433,769
5	24076	Marketing Information System Study and Design	1998	882,595	57.9%	511,023
6	24113	Customer Relationship Marketing	2000	968,614	57.9%	560,828
7	26077	FIAT Project	2000	2,490,915	57.9%	1,442,240
				\$ 8,473,013		\$ 4,905,875

ILLINOIS POWER COMPANY
Intangible Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount (000)
1.	<p>Tools and Equipment (Project 14333) This project supports Illinois Power application development infrastructure activities and supports the associated costs for hardware and software to maintain development and support of client systems. Additionally, the project provided additional scalability, data security, and load balancing capabilities for internet applications. Specific projects include:</p> <ul style="list-style-type: none"> • Installation of the necessary infrastructures required to enable the next generation of Illinois Power applications to be designed and developed. The project supports development of applications using advanced design techniques and mainstream tool sets and involves both developing new software infrastructures and purchase of associated hardware. • Installation of internet technologies and Java middleware To develop and deploy software to increase availability and, connectivity of internet-based applications. 	\$550
2.	<p>HRIS System Development (Project 21533) Enhancements to the Human Resource Information System (HRIS). Projects include:</p> <ul style="list-style-type: none"> • Development of an employee performance management system (EPMS) which includes sections for individual performance, individual team contributions, individual goals, team based goals and overall. This will enable supervisors to evaluate employees and to track individual and team goals. This system allows supervisors direct access to employee records but eliminates redundant data entry. • HRIS Development: System enhancements to add new functionality to HRIS and keep the system current with Federal requirements (AA/EEO reporting, taxes, W2s, etc.). HRIS was also expanded to allow employee development and candidate nominations for key positions. This expansion eliminated another independent system and the corresponding annual maintenance. 	\$2,458

ILLINOIS POWER COMPANY
Intangible Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount (000)
	<ul style="list-style-type: none"> • Kiosk Development: The kiosk was initially created with just flex benefit enrollment and displaying certain employee information. After a successful roll-out of the kiosk, the system was expanded to allow employees access to certain data so they could keep the data current and reduce administrative data entry. The kiosk was not Y2K compliant, therefore there were additional dollars spent to develop a replacement before the year 2000. • Employee Training System (ETS): A system was created to track ICC, NRC and OSHA required training and determine whether an employee was qualified to perform certain jobs. 	
3.	<p>Implementation of Area Resource Management (Project 22340) Project costs are mainly attributable to the implementation of ARM.</p> <p>ARM is a computer-based system designed to manage area facility design and construction work. Area Resource Management (ARM) helps to enforce standard design and use of standard construction units. This in turn helps to monitor and reduce costs. ARM was implemented to improve area engineering work design, work tracking, facility maintenance, standardize work processes and to improve record maintenance.</p>	\$373
4.	<p>Network Management Equipment (Project 22717) This project provided diagnostics, capacity and change management for Information Technology equipment. This allowed centralized management and diagnostic capability for IT equipment such as but not limited too local area network, wide area network, Timeplex, fiber, sonet, uninterruptible power supplies, servers, mainframe, etc. This project increased equipment reliability and efficiency.</p>	\$749
5.	<p>Mrktg Info Syst. Study and Design (Project 24076) The project was designed to establish a customer database warehouse. A decision support system was therefore required to enable the company to access customer database, acquire</p>	\$883

ILLINOIS POWER COMPANY
Intangible Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount 000
	and analyze business information. The system provides customer contact management, product information, and customer contract information.	
6.	Customer Relationship Marketing (Project 24113) The goal of this project was to improve marketing capability in support of Customer Solutions marketing. The primary objective of this project was to develop a marketing database/datawarehouse which provides improved access to "mass market" customer data (residential and commercial). Secondary objectives of the project were to 1) develop a centralized repository of customer data 2) Purchase and integrate external firmographic data into the database. 3) Provide cleansed name and address data 4) Provide a "customer-centric view 5) Provide end-user decision support tools as necessary.	\$969
7.	FIAT Project (Project 26077) Financial Information Access Triage (FIAT) This project was for the purchase and installation of the "PowerPlant" Capital Asset Accounting, PowerTax, and Competisoft Financial Planning software systems. The new systems <ul style="list-style-type: none"> • Provide multi-company and business segment reporting not available in current systems and are necessary for changing business requirements. • Powerplant system provides an automatic interface with PowerTax . • PowerPlant provides for utility specific accounting processes such as book depreciation at the account level, specific asset accounting such as intangible plant and is designed to fully automate work order setup, cost estimating and pre-unitization to facilitate cost allocations during the work order closing process. • PowerPlant provides interfaces with Area Resource Management (ARM) system and other work management 	\$2,491

ILLINOIS POWER COMPANY
Intangible Plant Projects with Individual Plant Addition
Amounts in Excess of \$250,000
Completed during the Period 1998 through 2000

Item No.	Description	Total Company Amount 000
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systems to utilize such features as compatible units installed
and retired.

Additionally, the query mechanism into the Continuing Property
Record System was not Y2K compliant and required
replacement.